



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 42
AGENDA DATE: Thu 05/27/2004
PAGE: 1 of 3

SUBJECT: Authorize execution of a contract with TRANS AMERICAN POWER PRODUCTS, INCORPORATED, Houston, TX, for the purchase of 137 steel transmission poles in an amount not to exceed \$3,299,035.

AMOUNT & SOURCE OF FUNDING: Funding is included in the Fiscal Year 2003-2004 Approved Capital Budget of the Electric Utility Department.

FISCAL NOTE: A fiscal note is attached

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT: for Austin Energy; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Martha L. Gaines, Buyer/322-6583

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid meeting specification of nine bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

The steel transmission poles to be purchased under this contract will be used to construct approximately nine miles of new transmission line from Decker Power Plant to the area near Yager Lane. The line will connect to the existing Circuit 975 (Dessau Substation to Techridge Substation).

Three miles of line will also be rebuilt from McNeil Substation to the area near Yager Lane. This rebuild will tie to the remainder of Circuit 975 (the Dessau Substation services Samsung to Techridge Substation, which services Dell) and establish a McNeil Substation to Dessau Substation transmission line.

This purchase is necessary to implement Austin Energy's (AE) planning guideline that projects current overloads for five other transmission lines in the area. These new lines are needed to provide sufficient backup in case of a line failure and will eliminate the potential overloads.

MBE/WBE Solicited: 0/0

MBE/WBE bid: 0/0



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PAGE: 2 of 3

BID TABULATION
IFB No. MG04100012
(137 Steel Transmission Poles-VariouS Sizes & Types)
12 Line Items

<u>Vendor</u>	<u>Bid</u>
Valmont Industries, Inc.* Valley, NE	\$3,094,547.00
Trans American Power Products Houston, TX	\$3,299,035.00
M.D. McHenry Company Pelham, AL	\$3,306,378.00
Sabre Tubular Structures Fort Worth, TX	\$3,354,109.00
Thomas & Betts Corporation Memphis, TN	\$3,403,620.00
Southern Monopole Webb, AL	\$3,416,121.94
CommStructures Pensacola, FL	\$4,391,871.57
FWT Utility Poles Fort Worth, TX	\$4,433,019.00
ABB, Incorporated Austin, TX	\$4,555,089.39

*Did not meet the required delivery schedule of 18 weeks as required by the solicitation. Valmont Industries quoted a delivery of 12-28 weeks.

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- a. Adequate competition.
- b. Eight notices were sent. Twelve bids were issued. Nine bids were received. There are no known MBE/WBEs listed for this commodity code.
- c. This type of transmission poles has never been purchased. There is no history for comparison. In the



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AGENDA ITEM NO.: 42
AGENDA DATE: Thu 05/27/2004
PAGE: 3 of 3

past, the standard design was a Lattice type pole. Now, the trend in the metro area is to use a single round pole which requires less maintenance and holds more cabling.

APPROVAL JUSTIFICATION

- a. Low bid meeting specification.
- b. The Electric Utility Department concurs with the recommended award.
- c. Advertised on the Internet.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION: 5/27/2004
WHERE ON AGENDA: Resolution
DEPARTMENT: Electric Utility Department

SUBJECT: Authorize execution of a contract with TRANS AMERICAN POWER PRODUCTS, INCORPORATED, Houston, Texas for the purchase of 137 steel transmission poles in an amount not to exceed \$3,299,035.

FINANCIAL INFORMATION:

Parent Project Name: **Transmission**
Project Authorization: 2003-2004 Approved Capital Budget

Current Appropriation	\$ 127,475,734.00	
Unencumbered Balance		\$ 13,379,155.76
Amount of This Action		<u>(3,299,035.00)</u>
Remaining Balance		<u>\$ 10,080,120.76</u>

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget

Signature: _____



Date: _____

5/17/04